GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:99
ANSWERED ON:18.07.2016
Promotion of Steel Sector
Maadam Smt. Poonamben Hematbhai

Will the Minister of STEEL be pleased to state:

(a) the rank of India in steel production globally and the estimated crude steel production capacity of the country at present;

(b) whether new capacities/plants of Minimum Efficient Scale size are coming up in the country and if so, the details thereof; and

(c) whether the Government has formulated any policy to make Indian steel industries globally competitive and if so, the details thereof including the funds allocated for the purpose during the last three years and the current year?

Answer

THE MINISTER OF STEEL (SHRI CHAUDHARY BIRENDER SINGH)

(a) India, at present, is the third largest producer of crude steel as per the data compiled by the World Steel Association. India's crude steel production capacity stood at 118.20 million tonnes (provisional) as on 31st March, 2016.

(b) Steel being a deregulated sector, the industry is free to setup steel plants of various sizes depending upon process routes/ technology, product mix etc. 8.35 million tonnes of new capacity in crude steel has come up in the country in the last year.

(c) Since Steel is a de-regulated sector, the decisions regarding investment in the sector are based on various factors including commercial considerations and market dynamics and the role of Government is that of a facilitator only. In this role, Government lays down the policy guidelines and establishes the institutional mechanism/structure for creating conducive environment for encouraging growth in the domestic industry and making it globally competitive. Towards that end, Government has released the National Steel Policy 2005, which lays down the broad roadmap for encouraging growth for the Indian steel industry.

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